



August 26, 2010

The Honorable Edward Markey  
Co-Chairman, Congressional Privacy Caucus  
2108 Rayburn House Office Building  
Washington, DC 20515

The Honorable Joseph Barton  
Co-Chairman, Congressional Privacy Caucus  
House Committee on Energy and Commerce  
2109 Rayburn House Office Building  
Washington, DC 20515

Dear Representatives Markey and Barton,

Yahoo! appreciates the opportunity to respond to your questions regarding online advertising and the importance of information about consumers. As Co-Chairmen of the Congressional Privacy Caucus, we understand your role in safeguarding the privacy interests of consumers. At Yahoo!, privacy has also been our long-standing commitment, and we have been a leader in privacy practices for over a decade because privacy is core to trust, and trust is core to our business. In a dynamic, fast-changing industry users can vote with their clicks. If they don't trust us, they will find a site that they do – so our incentives are to keep user trust and keep them coming back. Before delving into the specific questions posed, it is important to understand the role of interest-based advertising in the overall economy of the Internet.

First, Yahoo! is fundamentally a service based on relevancy and customization. Our users value our services because we offer them relevant products and advertising and our business partners work with Yahoo! because we help them reach the customers who find their products and services of value. Yahoo! provides many highly innovative services, including multi-award winning products, for free to our users.

The advertising model has made Internet content and services available to millions of people in the United States and around the world – for free. The business model of relying on advertising revenue to fund web sites has meant that vast amounts of information on the Internet has been fully accessible to people of all ages and income levels. The trend has been to tear down economic barriers to content – possible only because the primary source of revenue for most content providers' online operations is an advertising, rather than a subscription, model.

The benefits do not end with a rich diversity of content. Consumers also experience enhancements as they receive customized content, services and advertising that save them time and money. For instance, many have become used to web sites storing our information while giving us easy "one-click" access from anywhere an Internet connection can be established. Many users frequently use recommendations for new products and services they trust – some from advertising sources. And the exponential growth of social networking sites demonstrates a clear interest in customizing the online experience. Everyday information such as weather, local news, mail alerts, stock alerts, and offers for products or services users are interested in is provided through customization techniques. Most of these technologies have been the result of investments by companies funded by their online advertising revenues.

Advertising directly supports the creation of Yahoo!'s industry leading services. Yahoo! maintains the #1 or #2 web site in numerous categories including finance, sports, news, personalized home page, mail, instant



messaging, shopping, and entertainment. Many of these products are multi-award winners and are updated with new features and functions regularly. Other services to our users such as anti-spyware software, unlimited mail storage and generous photo storage are also provided for free because of the advertising model.

Advertising also supports a diversity of voices on the Internet. Bloggers or families who want to occasionally post content are generally subsidized by the advertising business model through free or reduced-cost hosting, and also through the ability to have text, graphical and even video ads appear on the site. This ability to make money while sharing views increases the number of viewpoints that can be taken in public debates, and surely enriches our public conversation as a nation and as a global society.

Yet another benefit is the rise of small businesses that have been able to gain a foothold on the Internet with very low barriers to entry. These small businesses are able to make a profit in part because new tools are available to carry advertising on their sites, giving them another source of revenue. And the type of advertising is relevant here. These small businesses can sell advertising on a wider range of topics when the advertising can be tailored to user interests, even if the site is primarily about a different topic.

The business model that allows Yahoo! to maintain such a vast array of industry leading, free products and services could be significantly undermined by legislation if that legislation does not properly recognize that appropriate safeguards for data can, and are, being utilized in the marketplace by market leaders.

Second, interest-based advertising is a fast-growing part of our business because these ads perform better than non-targeted ads – they are simply more relevant for users, so those users respond more often and more favorably to these customized advertising messages. Frankly, if users did not value them, it would not be in anyone's interest to provide customized advertisements.

Finally, it is important to clarify that interest-based advertising does not ordinarily target a specific individual based on name, address or what we would traditionally think of as personally identifiable information; but rather, the user of a particular IP address or browser. The history of online advertising is unique - it was designed so that advertisers do not need to know the identity of the recipient of a marketing message. This feature built into cookie-based online advertising really was the original "privacy by design", and many considered this to be a stark contrast to the offline-world where names and addresses are often essential in marketing. This distinction is necessary because interest-based advertising is generally done without any connection to a user's real identity. It is unfortunate that many articles, including the recent series in the *Wall Street Journal*, fail to point out this important fact.

Against this backdrop, Yahoo! is pleased to offer the Privacy Caucus information about the data collected and used across the Yahoo! network of web sites and the online advertising practices of the Yahoo! Ad Network.

**1. What specific information about consumers does your company collect, either through your own web site or through business relationships with third parties?**

The Yahoo! Privacy Policy (<http://privacy.yahoo.com>) describes in detail the data Yahoo! collects and how we use it on the Yahoo! network of web sites. This includes when a user registers for a Yahoo! account, visits our site, engages in a transaction, downloads software, enters a sweepstakes or promotion or conducts a search, among other interactions.



In addition to the data we collect on our network of web sites we receive information that is automatically provided by a user's browser when Yahoo! works with other companies to provide advertising services. This includes IP address, cookies from Yahoo!-owned domains, date/time stamp of the visit, URL of the page visited, referring URL of the prior page (if applicable), operating system, browser type and version, screen resolution, and other system-based information used to render a page for the characteristics of the user's device.

Like many businesses Yahoo! may also acquire data from external sources, including publicly available data. We describe this here: <http://info.yahoo.com/privacy/us/yahoo/appenddata/>. Notably, users who have exercised Yahoo!'s persistent opt-out from interest-based advertising are also automatically opted out of having their information appended to external sources and subsequently used for interest-based advertising. We believe we are one of the only companies in the marketplace today that offers consumers an easy way to opt out of having data from these external sources used to customize the ads they see.

Yahoo!'s Privacy Policy describes not just what Yahoo! collects and for what purpose. It also describes how long Yahoo! holds log file data in identifiable form here: <http://info.yahoo.com/privacy/us/yahoo/datastorage/details.html>. Yahoo! is proud to have the industry-leading log file data retention policy. Yahoo! deletes or de-identifies identifiers such as IP addresses and cookie identifiers within 90 days for most log file data with exceptions for security and to meet legal obligations. This data retention policy applies not just to search log file data but to all of the log file-data that Yahoo! collects and uses globally, including for advertising and site customization.

**2. If you have business relationships with third parties, please list the names of those third parties, including analytics firms.**

Yahoo! works with a number of third parties to provide a wide variety of services on our site. This includes content, advertising, analytics, fulfillment, and other site services. We describe and list many of the third parties in our Privacy Center at <http://info.yahoo.com/privacy/us/yahoo/thirdparties/details.html>. This level of transparency is not common in the marketplace, but we believe interested users can better identify the partners we work with in this way.

In addition, as an NAI member and participant in the cross-industry coalition promoting industry best practices for interest-based advertising, Yahoo!'s Privacy Center provides multiple information links to a comprehensive list of third party ad networks directly engaged in online behavioral advertising at [http://www.networkadvertising.org/managing/opt\\_out.asp](http://www.networkadvertising.org/managing/opt_out.asp). Through this industry-developed web page, users can review a listing of over fifty participating companies' transparency and control tools in a single location.

**3. How does your company collect consumer information (e.g., direct consumer input, cookies, beacons, Flash cookies, other surveillance technologies)?**

Yahoo! collects information both directly from consumers when they register on Yahoo! or sign up for our services. In addition, browsers automatically convey information to Yahoo! as described above. Yahoo! sets and accesses cookies on our own network of web sites and also on sites where Yahoo! serves advertising or provides advertising and analytics tools for partners. Accessing cookies may happen directly on a Yahoo.com domain or through the use of web beacons. Yahoo! uses Flash cookies as described in the Yahoo! Privacy Policy with a link to allow users to manage their Flash cookies:



*The Adobe Flash Player is a powerful application and web tool that allows rapid development of highly dynamic content. Flash (and similar applications) use technology to remember settings, preferences and usage similar to browser cookies but these are managed through a different interface than the one provided by your web browser. Yahoo! employs Adobe Flash Cookies in certain situations where we use Flash to provide special content such as video clips or animation. You can access your Flash management tools from [Adobe's web site](#) directly.*

In addition, as an NAI member, Yahoo! adheres to the NAI Flash Cookies policy found at [http://www.networkadvertising.org/managing/faqs.asp#question\\_19](http://www.networkadvertising.org/managing/faqs.asp#question_19) and listed below.

*The NAI's members have confirmed that they are not using Flash cookies for online behavioral advertising (OBA).*

*Flash cookies are a common form of file called a locally shared object (LSO). LSOs are technologies that allow for the persistent storage and retrieval of information in relationship to a user's web browsing experience, but that are typically not exposed via native browser user controls (such as those presently available for HTML cookies). Examples include, but are not limited to, IE Browser Helper Objects (BHOs), Adobe Flash objects, and Microsoft Silverlight objects.*

*The NAI believes that currently available native browser controls do not provide a level of transparency for Flash cookies and other LSOs comparable to that provided for HTML cookies. As a result, the NAI takes the position that its members should not use LSOs for OBA, Ad Delivery & Reporting, and/or Multi-Site Advertising until such time as web browser tools provide the same level of transparency and control available today for standard HTML cookies. LSOs may continue to be used for settings management purposes (such as user preferences and age verification).*

**4. How does your company use the information it collects, both directly or through third parties, if applicable.**

The Yahoo! Privacy Policy (<http://privacy.yahoo.com>) describes the data Yahoo! collects and how we use it on the Yahoo! network of web sites:

*Yahoo! uses information for the following general purposes: to customize the advertising and content you see, fulfill your requests for products and services, improve our services, contact you, conduct research, and provide anonymous reporting for internal and external clients.*

**5. Does your posted privacy policy fully explain these data collection and use practices?**

Yes, as described above, Yahoo!'s Privacy Policy fully explains these data collection and use practices. In addition, the Yahoo! Privacy Policy includes a "Topics" tab at the top and a listing of several topics on the left side of the on the Privacy Policy homepage. When a user clicks on the tab she is brought to <http://info.yahoo.com/privacy/us/yahoo/topics.html>, which includes further discussion of a variety of issues such as ad serving, third parties on Yahoo!, Yahoo! cookies, web beacons, and more.

Yahoo! is proud to have an industry-leading Privacy Center that provides a high degree of transparency for consumers along with a "layered" approach to organize privacy information in a way that's accessible and useful



for consumers. We link to our Privacy Center from nearly every page on Yahoo!. We believe that it is this kind of transparency and consumer access that has led to Yahoo! being ranked the #1 most trusted technology company in the world according to the 2010 Edelman Trust Barometer.

**6. Does your posted privacy policy identify for consumers all affiliated and unaffiliated entities with which you share or provide access to consumer data, whether through direct disclosure, cookies or some other means?**

The Yahoo! Privacy Policy covers our use of data, the purposes for which we may share data and the controls provided to users to limit or stop the use of data for interest-based advertising. We are also testing the industry-wide use of icons on certain display advertising as seen on the front page of Yahoo.com and in various areas of the site, as well as at <http://green.yahoo.com/living-green/>, where we are testing a more advanced version of the ad labeling concept designed to give users information about the parties involved with a particular advertisement in the context of the ad experience.

When the Yahoo! Ad Network serves advertising on other publisher web sites, as a member of the Network Advertising Initiative's (NAI) self-regulatory program, it is our policy to require those sites to disclose that third party advertisers, such as Yahoo!, may be present and to include a link to the NAI opt-out or to our own.

**7. Does your company sell or otherwise monetize the information it collects?**

No, Yahoo! does not rent, sell, or share personal information about our users with other people or non-affiliated companies except to provide products or services they have requested, when we have permission, or under circumstances described in the Yahoo! Privacy Policy.

As an advertising-supported business that provides free content, storage and services online, we do use information we collect to help determine what kinds of advertising our users see on our site. This is often referred to as "monetization." To us it simply means that we use data to help us make our advertising more relevant either through demographic or interest-based advertising that relies on data about users.

**a) If yes, to which companies does it sell or otherwise disclose the personal information it collects?**  
Please see above.

**b) What were the revenues associated with this sale or monetization for the last 12 months, or the most recent year for which your firm has such data?**

Yahoo!'s global revenue is driven largely by advertising, broken out below. (References to "O&O" refer to the Yahoo! owned and operated services that we also describe as the Yahoo! network of web sites.) Since all Yahoo! advertising is delivered in conjunction with cookies and relies upon browser IP addresses, we will assume some may consider that all online advertising includes the use or monetization of personal information. Overall revenue also includes fee-based services, not shown here. In addition, the Affiliate line includes revenue that is paid to other sites as "Traffic Acquisition Costs", representing revenue for these sites based on advertising that Yahoo! does not keep.



<b>Revenue (\$, millions)</b>	<b>Q3'09</b>	<b>Q4'09</b>	<b>Q1'10</b>	<b>Q2'10</b>
O&O Search	\$354	\$370	\$343	\$331
O&O Display	\$399	\$503	\$444	\$468
O&O Listings & Other Marketing Services	\$98	\$98	\$88	\$82
<u>Affiliate (Search and Display)</u>	<u>\$526</u>	<u>\$564</u>	<u>\$548</u>	<u>\$557</u>
Total Marketing Services	\$1,377	\$1,535	\$1,423	\$1,438
<u>Traffic Acquisition Costs</u>	<u>(\$ 444)</u>	<u>(\$ 474)</u>	<u>(\$ 467)</u>	<u>(\$ 473)</u>
Revenue: Total Marketing Service minus TAC	\$933	\$1,061	\$966	\$965

**8. Is your company aware of all third-party tracking devices that may be installed on a user's computer when the user visits your site?**

No, it is technically impossible for Yahoo! to be aware of all software or files that may be installed on a user's computer when they visit our site. When a user visits Yahoo!, we can "see" their Yahoo! cookies which the browser transmits to us. Yahoo! does not have access to other cookies present on a user's hard drive or all the software that a user may have installed.

As a web site publisher, Yahoo! determines the content feeds and advertisement placements for each of our services and web pages. Nearly every page on Yahoo! is generated dynamically. The content and ads that appear change minute by minute as news headlines, stock quotes, and advertising are all refreshed frequently. An ad that appears when the page initially loads may be replaced by a different ad when the page is refreshed (or reloaded), along with all the content that appears on that page. Yahoo! has relationships with different content and advertising providers. In these agreements, Yahoo! often has performance requirements about how quickly a page element or advertisement must load and these requirements often include limitations on the use of third party cookies on a Yahoo! page as each incremental cookie often results in diminishing page performance.

**a) If yes, what evaluations does your company perform to discover such devices? If no, why not?**  
Yahoo! runs regular scans using internal and external systems to detect third party domains on our web sites that may set or access their own cookies. This is then compared to our list of approved vendors that have completed our compliance program including security, privacy, performance and contractual reviews.

**b) What actions does your company take upon discovery of a previously unknown third party tracking device?**

If Yahoo! discovers a third party is resident on our properties that has not completed our compliance program, Yahoo! may contact the party or its partners directly to address this issue.

**9. Does your company serve different pages, content or advertisements to visitors, based on information derived from tracking devices? If yes, please explain.**

Yahoo! offers our users a customized experience. Different content and advertising is shown to different users based on their expressed preferences as well as inferred interests. Interests may be inferred through categorization of page views, ad views, page clicks, ad clicks, and searches on Yahoo!'s network of web sites, or through other information that is collected and used as described in our privacy policy.



**10. Does your company target individuals based on their health or financial status?**

Yahoo! does not target or customize based on specific health or financial status such as medical diagnosis or financial accounts, but may customize across several broad health and finance related categories based on observed interests. Yahoo!'s standard interest categories can be found here: [http://info.yahoo.com/privacy/us/yahoo/opt\\_out/targeting/asc/details.html](http://info.yahoo.com/privacy/us/yahoo/opt_out/targeting/asc/details.html). These interests are also available for users to see and edit in Yahoo! Ad Interest Manager here: <http://privacy.yahoo.com/aim>. Users may choose to turn off targeting for any of these categories or for all interest-based advertising.

**11. Are there any user search or use habits that your company will not use for targeting purposes or tracking? If yes, what are they?**

Most interest categories are based on very popular commercial topics such as travel, autos, or entertainment, which are commercially relevant categories for advertisers wishing to reach large online audiences. When there is advertiser interest to develop a new category, an internal team will review these requests. This team makes decisions regarding these categories based on our interest in serving our users, maintaining user trust, and working with our advertisers.

As a result of this process we have stated that we will not create interest categories for sensitive categories such as HIV/AIDS, sexually transmitted diseases, adult/mature content, sexual orientation, specific income, religion, or race, among others. In addition, Yahoo! does not create interest categories for users we know to be children under the age of 13.

**12. Has your company conducted a legal analysis of the applicability of communication and consumer protection laws to the targeting and/or tracking practices utilized by your firm? If yes, please explain what this analysis concluded.**

Yahoo! regularly assesses the application of laws and regulations to our business practices to ensure we operate within the applicable law. Additionally, our company has worked for more than a decade with policymakers and regulators to establish that the industry's self-regulatory efforts have served consumers' interests in protecting privacy. Yahoo! has taken a leadership role in those self-regulatory efforts and has sought to influence industry standards and establish best practices through participation by its various business units in the NAI and the Interactive Advertising Bureau (IAB). Yahoo! has also experimented with new privacy enhancing tools and technologies beyond what is required by law, in the interest of maintaining and growing our users' trust.

**13. If your company tracks or targets visitors, how does it notify visitors to your company's site of this practice? If it does not provide notification, why not?**

Yahoo! describes our collection and use of information for advertising customization in our Privacy Policy. We provide links to our Privacy Policy on the home page of Yahoo! (<http://www.yahoo.com>) and in the footer of nearly every page on the Yahoo! network of web sites. In addition, Yahoo! has an "About our Ads" link outside the privacy policy that appears in the footer of most pages on our network to give users an additional opportunity to interact with our privacy information. Perhaps most importantly, Yahoo! is also testing ad labels which will give a user the opportunity to interact with information about ads and exercise control in or around the ad she is viewing.



Yahoo! recently added the label, also known as CLEAR Ad Notice, to many ad placements on the Yahoo! site. The AdChoices label and “power-i” icon link to a page describing Yahoo!’s ad serving services, explains ad customization and provides users with a link to opt out of receiving customized advertising from Yahoo!. We also provide links to the NAI site where users can opt out of all participating ad networks. See below for a current example.



On sites off of the Yahoo! network, Yahoo! contractually requires partners for whom we provide ad network services to disclose that Yahoo! offers these services on their site within their site privacy policy with a link to either the NAI or our opt-out. Many partners also provide these disclosures outside of their privacy policies with an “About our Ads” link.

Over two years ago Yahoo! began an educational campaign to raise awareness of interest-based advertising. During this campaign Yahoo! served an average of more than 200 million banner ad impressions per month. You can see this campaign here: <http://info.yahoo.com/privacy/us/yahoo/adinfo.html>. Yahoo! has also actively supported the NAI and the Interactive Advertising Bureau’s consumer education efforts through banner advertising inventory and with financial support. As the industry coalesces around an agreed icon and standardized information for users, Yahoo! fully intends to be part of subsequent user education efforts.

**14. If a user does not want to be tracked or targeted upon visiting your site, how would the user effectuate this preference?**

When a user clicks on any CLEAR Ad notice marker as shown above or links to the Yahoo! Privacy Policy, the right side of the landing page offers prominent above-the-fold information about how to manage interest-based advertising, including information about how to opt out. Please see the screen below:

**YAHOO! PRIVACY CENTER**  
Welcome to the Yahoo! Privacy Center—take a look around. You'll learn how Yahoo! treats your personal information, along with ways to control your preferences and settings. As always, Yahoo! is committed to gaining your trust.

**WHAT THIS PRIVACY POLICY COVERS**  
Yahoo! takes your privacy seriously. Please read the following to learn more about our privacy policy. The federal government and technology industry have developed [practical tips](#) to help you guard against Internet fraud, secure your computer and protect your personal information.

**How Yahoo! Uses Your Personal Information**  
This policy covers how Yahoo! treats personal information that Yahoo! collects and receives, including information related to your past use of Yahoo! products and services. Personal information is information

**Highlights**  
[Manage Interest-Based Ads](#)  
To help make your experiences with Yahoo! more relevant, we employ interest-based ads. **Manage** your interest-based categories, or **opt-out** of all categories, from the [Yahoo! Ad Interest Manager](#).

On the Ad Interest Manager landing page, the user is provided with the opportunity to opt out of all interest-based advertising or to selectively opt out of categories associated with their cookie. See below for an example:

**Ad-Supported Websites**  
Yahoo! is an advertising supported website. Most of the products and services we offer are largely free of charge to you because we display advertising. Other websites also partner with Yahoo! to show ads on their sites to support their offerings. [More](#)

**Network Advertising Initiative**  
Yahoo! is a member of the Network Advertising Initiative (NAI). To opt out of other ad networks or to learn more about network advertising, please visit the [NAI site](#).

**Other Inputs**  
In addition to the information shown here, Yahoo! may use publicly available information or information provided by partners to help customize some of the ads we show. [More](#)

**Ad Interest Manager BETA**  
To make our ads more relevant and useful for you, we make educated guesses about your interests based on your activity on Yahoo!'s sites and services. Some of the ads we show you reflect these interests. You can opt out of interest-based advertising altogether using the tools on this page.

**Your Interest Categories** [?](#)

We use information about many of the pages you have visited, ads you have seen and clicked, and some of your searches on Yahoo! to create interest categories that help us choose the kinds of ads you'll see. You can edit or de-select categories here or opt out of interest-based ads altogether. [See All Standard Categories](#)

**Interest Categories: Set to:**

Consumer Packaged Goods > Recipes	<input checked="" type="checkbox"/> ON	<input type="checkbox"/> OFF
Entertainment	<input checked="" type="checkbox"/> ON	<input type="checkbox"/> OFF
Entertainment > Music	<input checked="" type="checkbox"/> ON	<input type="checkbox"/> OFF
Entertainment > Music > R and B	<input checked="" type="checkbox"/> ON	<input type="checkbox"/> OFF

**Interest-based Ads:**  
**Are currently on.**  
[Opt Out](#)  
You must allow cookies from Yahoo! in order to opt out. To make your opt-out apply to every computer you use you must be signed in to your Yahoo! account. [Learn more.](#)



These options apply not just to the ads that Yahoo! serves as a third party on partner sites but also across all ads Yahoo! serves anywhere on the Web, including on Yahoo!'s network of web sites as a first party. The Ad Interest Manager page provides easy access to links to the NAI site where a user can opt out of all participating ad networks. NAI members are the vast majority of all interest-based ad networks serving ads on the Web today.

Yahoo! was also one of the first sites to offer a persistent opt-out choice allowing users to associate their opt-out choice with their Yahoo! account. While a user does not have to be registered with Yahoo! in order to opt out, any user who happens to have a Yahoo! account can store their opt-out preference within his or her account if they have one. Each time that user logs in to Yahoo!, their opt-out preference will be refreshed on that browser. This avoids the problem of opt-out choices being inadvertently deleted when cookies are cleared, as the act of logging into Yahoo! refreshes their opt-out preference. This option also serves to make opt-out choices portable across many devices used to access Yahoo! services. A user who opts out on her work computer can seamlessly carry that opt-out choice to her home computer simply by logging in to check with Fantasy Sports scores or email account with Yahoo!.

**15. Please explain whether your company provides the ability of consumers to “opt-in” to use of these practices or “opt-out,” including whether they have an option to prevent both the collection and use of their data. If your company provides the opportunity to opt-out, how many visitors have chosen this option according to your company’s most recent data?**

Yahoo! has a long history of providing choice to its users. As detailed in Q. 14, Yahoo! continues to explore numerous ways to present the user with options related to our *use* of data for online advertising. Yahoo! strongly supports an opt-out for the commercial *use* of personal data for behavioral advertising – indeed, we were one of the first web sites to allow users to control whether or not to allow behavioral advertising on our own network of web sites.

Web sites routinely collect certain information in order to render a web page at the user’s request. We are unaware of any company offering an opt-out for the *collection* of data in the marketplace today. We believe companies do not offer an opt-out of collection because much of this information is automatically transmitted by a browser when a user clicks a link or inputs a URL and is necessary to display the page to the user. It is unclear how a page could be rendered without collection of this data.

Yahoo! has sought to limit the concerns that arise from collection by initiating one of the leading data retention policies in the industry. Under our policy, most web log data including page views, page clicks, ad views, ad clicks and search queries are anonymized at 90 days. Limited exceptions include data that Yahoo! uses to help prevent fraud and preserve security. That data will be retained for up to 6 months – but only for that purpose. Yahoo! also must comply with any legal obligations to retain data for longer periods, such as with ongoing lawsuits. To come to this policy, Yahoo! conducted a comprehensive review of its data practices across the globe. The heads of business and engineering units worked with privacy and data governance teams to thoroughly review data needs for global products and services, striving to ensure that Yahoo! retains data only long enough to serve our business and create the highest quality user experiences while maintaining the ability to fight fraud, secure systems, and meet legal obligations. We delete the IP address, anonymize unique identifiers, and apply a personal information filter to search queries (to remove items such as social security numbers or non-newsworthy names from queries) within the timeframes noted above.



While Yahoo! maintains various prominent links to our opt-out, we are not able to estimate precisely how many users are currently opted out of receiving interest-based advertising at any given time based on this page view data. The current Yahoo! opt-out is cookie-based meaning that the preference resides in a cookie in the user's browser. We "see" the cookie only in the process of determining whether and which ad to show the user when they visit a site where we display ads. In the month of July, Yahoo! noted approximately 3 million browsers that visited Yahoo! or a site where Yahoo! serves ads, where an opt-out cookie from Yahoo! was present. This is not, however, a reliable measure of how many users are opted out at any given time and does not accurately represent the total number of users that have elected not to receive interest-based ads from Yahoo!.

One reason why this count may be unreliable is that there are ever-increasing ways for a user to express her opt-out choice or elect not to receive targeted ads at all that do not rely on cookies. Because of the myriad ways a user can express her opt-out using third party tools or controls, a full count of users opting out during any period may simply be impossible. Today a user can access the Yahoo! opt-out in the following ways:

- Yahoo! opt-out pages from CLEAR ad notices, Privacy Policy links, and "About our Ads" links (<http://privacy.yahoo.com/aim>)
- NAI opt-out page and downloadable tool ([http://www.networkadvertising.org/managing/opt\\_out.asp](http://www.networkadvertising.org/managing/opt_out.asp))
- TRUSTe's downloadable opt-out tool, currently in pilot
- Privacy Choice's web site and browser plug-in (<http://www.privacychoice.org/choose>)
- TACO Firefox plug in (<https://addons.mozilla.org/en-US/firefox/addon/11073/>)

This list is not exhaustive, does not reflect tools being developed in markets outside the US, and may not reflect opt-out tools that are becoming available for mobile and newer devices developed for interacting with the Internet. Further, this does not include all of the users who have elected to use control tools embedded within their browsers to selectively reject or make each cookie a session-only cookie. This functionality exists in all commercial browsers on the market today. Our counts also do not reflect all users who routinely clear their cookies using other software. Today any user that routinely clears their cookies is, effectively, opting out of interest-based advertising from all ad networks. According to a 2009 TRUSTe survey, 48 percent of those surveyed said they delete cookies on their computer at least once a week. This data would suggest that users are, in fact, very much in control of how their online data is collected and used.

Again, thank you for your attention to these issues on behalf of consumers. We appreciate the opportunity to explain how privacy is intertwined in Yahoo!'s collection and use of data as we customize user experiences and provide industry-leading, free products and services to our users. We know that free online content and services have become an essential part of consumers' lives. Through contextual notices, increased transparency and meaningful control, consumers will enjoy a richer online experience of trust. These are core tenets to Yahoo! and we are happy to share them with you.

Sincerely,



Anne Toth  
Vice President of Global Policy and Head of Privacy  
Yahoo! Inc.

